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DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-867]

Large Power Transformers from the Republic of Korea: Amended Final Results of Antidumping Duty Administrative Review; 2012-2013

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) is amending its final results in the administrative review of the antidumping duty order on large power transformers from the Republic of Korea (Korea) for the period February 16, 2012, through July 31, 2013, to correct certain ministerial errors.

DATES: Effective date: [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Brian Davis (Hyosung) or David Cordell (Hyundai), AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-7924 or (202) 482-0408, respectively.

SUPPLEMENTARY INFORMATION:

Background

On March 31, 2015, the Department published its final results in the administrative review of the antidumping duty order on large power transformers from Korea.¹ On March 30,

¹ See *Large Power Transformers From the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2012–2013*, 80 FR 17034 (March 31, 2015) (*Final Results*).

2015, ABB Inc. (Petitioner) submitted a ministerial error allegation.² On March 30, 2015, Hyundai Heavy Industries Co., Ltd. (HHI) and Hyundai Corporation, USA (Hyundai USA) (collectively, Hyundai) filed a ministerial error allegation.³ On April 3, 2015, Hyosung Corporation and HICO America Sales and Technology, Inc. (collectively, Hyosung) submitted comments in reply to Petitioner's allegation.⁴ Based on our analysis of these allegations, we made changes to the calculation of the weighted-average dumping margins for Hyundai, Hyosung and for the non-individually examined respondents.

Scope of the Order

The scope of this order covers large liquid dielectric power transformers (LPTs) having a top power handling capacity greater than or equal to 60,000 kilovolt amperes (60 megavolt amperes), whether assembled or unassembled, complete or incomplete.

Incomplete LPTs are subassemblies consisting of the active part and any other parts attached to, imported with or invoiced with the active parts of LPTs. The "active part" of the transformer consists of one or more of the following when attached to or otherwise assembled with one another: the steel core or shell, the windings, electrical insulation between the windings, the mechanical frame for an LPT.

The product definition encompasses all such LPTs regardless of name designation, including but not limited to step-up transformers, step-down transformers, autotransformers, interconnection transformers, voltage regulator transformers, rectifier transformers, and power rectifier transformers.

² See Letter from Petitioner to the Department, "Administrative Review of Large Power Transformers from Korea - Petitioner's Allegation on Ministerial Errors in the Department's Final Margin Calculation" dated March 30, 2015.

³ See Letter from Hyundai to the Department, "Antidumping Administrative Review of Large Power Transformers from Korea Ministerial Error Comments" dated March 30, 2015.

⁴ See Letter from Hyosung to the Department, "Large Power Transformers from the Republic of Korea: Reply to Petitioner's Allegation of Ministerial Errors" (April 3, 2015).

The LPTs subject to this order are currently classifiable under subheadings 8504.23.0040, 8504.23.0080 and 8504.90.9540 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

Ministerial Error

Section 751(h) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.224(f) define a “ministerial error” as an error “in addition, subtraction, or other arithmetic function, clerical error resulting from inaccurate copying, duplication, or the like, and any other similar type of unintentional error which the Secretary considers ministerial.”

We agree with Hyundai that we made a ministerial error within the meaning of 19 CFR 351.224(f) with respect to one expense field. For sales of multiple units, the Department inadvertently used the total amounts of the expense for the relevant sales rather than the per-unit amounts. No other party commented on this issue.

With respect to Petitioner’s allegation that in the Department’s margin program, the Department erred by failing to include all U.S. selling expenses in calculating the amount of CEP profit to deduct in its determination of the net U.S. price, the Department agrees that this is a ministerial error. However, for reasons outlined in the accompanying ministerial error memorandum and in the calculation memoranda,⁵ the Department has revised its CEP expense calculation using programming language that differs from that suggested by Petitioner in order to properly calculate CEP profit, net U.S. price, and normal value.

⁵ See Memoranda entitled “Amended Final Results of the Antidumping Duty Administrative Review of Large Power Transformers from the Republic of Korea; 2012-2013: Allegations of Ministerial Errors”; “Analysis of Data Submitted by Hyosung Corporation in the Amended Final Results of the Antidumping Duty Administrative Review of Large Power Transformers from the Republic of Korea; 2012-2013”; and “Analysis of Data Submitted by Hyundai Heavy Industries Co., Ltd. (HHI) and Hyundai Corporation, USA (Hyundai USA) (collectively, Hyundai) in the Amended Final Results of the Antidumping Duty Administrative Review of Large Power Transformers from the Republic of Korea; 2012-2013,” dated concurrently with this notice.

Hyosung argues that the Department should reject Petitioner's allegation on the grounds that Petitioner could have raised the allegation in its case brief and it is, therefore, now untimely. Hyosung also argues that it is a belated attempt to raise a methodological issue with respect to the Department's calculations. Nevertheless, we find that we made an inadvertent error in not using the correct calculation string with respect to CEP expenses, and therefore, are correcting and amending the final results of review in accordance with section 751(h) of the Act and 19 CFR 351.224(e). As a result, the weighted-average dumping margin for Hyosung changes from 6.43 percent to 9.09 percent, and for Hyundai changes from 9.53 percent to 13.82 percent. Furthermore, the rate for the respondents not selected for individual examination, which is based on the weighted-average of the two respondents selected for individual examination, changes from 8.16 percent to 11.73 percent.⁶

All Other's Rate

The Department, in the *Final Results*, inadvertently stated "the cash deposit rate for all other manufacturers or exporters will continue to be 29.93 percent, the all-others rate established in the antidumping investigation."⁷ This should have read: "the cash deposit rate for all other manufacturers or exporters will continue to be 22.00 percent, the all-others rate established in the antidumping investigation."⁸

⁶ The rate applied to the non-selected companies (*i.e.*, ILJIN, ILJIN Electric, and LSIS) is a weighted-average percentage margin calculated based on the publicly-ranged U.S. volumes of the two reviewed companies (both of which are affirmative dumping margins), for the period February 16, 2012, through July 31, 2013. *See* Memorandum to the File titled, "Large Power Transformers from the Republic of Korea: Amended Final Dumping Margin for Respondents Not Selected for Individual Examination," through Angelica Townshend, Program Manager, dated concurrently with this notice.

⁷ *See Final Results*, 80 FR at 17036.

⁸ *See Large Power Transformers From the Republic of Korea: Antidumping Duty Order*, 77 FR 53177 (August 31, 2012).

Amended Final Results of the Review

The Department determines that the following amended weighted-average dumping margins exist for the period February 16, 2012, through July 31, 2013:

<u>Company</u>	<u>Weighted-Average Dumping Margin (percent)</u>
Hyosung Corporation	9.09
Hyundai Heavy Industries Co., Ltd.	13.82
ILJIN Electric Co., Ltd.	11.73
ILJIN	11.73
LSIS Co., Ltd.	11.73

Disclosure

We will disclose the calculation memoranda used in our analysis to parties to this proceeding within five days of the date of the public announcement of these amended final results pursuant to 19 CFR 351.224(b).

Duty Assessment

The Department shall determine and U.S. Customs and Border Protection (CBP) shall assess antidumping duties on all appropriate entries.⁹ For any individually examined respondents whose weighted-average dumping margin is above *de minimis*, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1). Upon issuance of the amended final results of this administrative review, if any importer-specific assessment rates calculated in the amended final results are above *de minimis* (*i.e.*, at or above 0.5 percent), the Department will issue instructions directly to CBP to assess antidumping duties on appropriate entries.

⁹ In these final results, the Department applied the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012).

To determine whether the duty assessment rates covering the period were *de minimis*, in accordance with the requirement set forth in 19 CFR 351.106(c)(2), for each respondent we calculated importer (or customer)-specific *ad valorem* rates by aggregating the amount of dumping calculated for all U.S. sales to that importer or customer and dividing this amount by the total entered value of the sales to that importer (or customer). Where an importer (or customer)-specific *ad valorem* rate is greater than *de minimis*, and the respondent has reported reliable entered values, we apply the assessment rate to the entered value of the importer's/customer's entries during the review period.

The Department clarified its “automatic assessment” regulation on May 6, 2003.¹⁰ This clarification will apply to entries of subject merchandise during the period of review (POR) produced by the respondent for which it did not know its merchandise was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction. For a full discussion of this clarification, see the *Automatic Assessment Clarification*.

We do not intend to issue assessment instructions to CBP because of the preliminary injunction that was issued after the issuance of the *Final Results*. See CBP Message Number 5111304.

Cash Deposit Instructions

The following cash deposit requirements will be effective upon publication of this notice for all shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication of these amended final results, as provided by section 751(a)(2) of the Act: (1) the cash deposit rate for respondents noted above will be the rate established in the amended final results of this administrative review; (2) for merchandise

¹⁰ See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003) (*Automatic Assessment Clarification*).

exported by manufacturers or exporters not covered in this administrative review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company specific rate published for the most recently completed segment of this proceeding; (3) if the exporter is not a firm covered in this review, a prior review, or the original investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the manufacturer of the subject merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 22.00 percent, the all-others rate established in the antidumping investigation.¹¹ These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers Regarding the Reimbursement of Duties

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during the POR. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping and/or countervailing duties occurred and the subsequent assessment of doubled antidumping duties.

Administrative Protective Order

This notice also serves as a reminder to parties subject to administrative protective orders (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return/destruction of APO materials, or conversion to judicial protective order, is hereby

¹¹ See *Large Power Transformers From the Republic of Korea: Antidumping Duty Order*, 77 FR 53177 (August 31, 2012).

requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Notification to Interested Parties

We are issuing and publishing these amended final results in accordance with section 751(h) of the Act and 19 CFR 351.224(f).

Paul Piquado,
Assistant Secretary
for Enforcement and Compliance.

April 28, 2015_
Date

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